

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1073
ANSWERED ON:02.08.2006
IRREGULARITIES IN CIL
Bhadana Shri Avtar Singh

Will the Minister of COAL be pleased to state:

- (a) whether the Comptroller and Auditor General (CAG) has in its latest report indicated irregularities in working of subsidiaries of the Coal India Ltd. (CIL);
- (b) whether Government has incurred loss due to delay in completion of several projects of these companies;
- (c) if so, the details thereof subsidiary-wise; and
- (d) the measures taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO) :

(a) The CAG in their report for the year 2004-05 had made certain observation as follows:â€”

Incorrect assessment of power requirement in Eastern Coalfields Limited.

Avoidable revenue loss due to consumption of steep grade coal for boiler in Bharat Coking Coal Limited.

Unfruitful investment on Captive Power Plant at Kathara and avoidable expenditure due to non- synchronization of Captive Power Plants in Central Coalfields Limited.

Avoidable extra expenditure towards payment of excess statutory dues in Northern Coalfields Limited.

Avoidable loss due to delay in installation of weighbridges in Western Coalfields Limited.

Wasteful expenditure resulting in blocking of funds in South Eastern Coalfields Limited.

Avoidable payment of interest due to short payment of advance income tax in Central Mine Planning and Design Institute Limited.

Delay in project implementation in Mahanadi Coalfields Limited etc,

(b) The CAG report has observed that the implementation of advance action plan of 7 projects of Mahanadi Coalfields Limited (MCL) could not be completed in time which may adversely affect the project completion schedule.

(c) and (d) The present status of the 7 projects of Mahanadi Coalfields Limited mentioned in the CAG report is as follows:-

Basundhara (W) OC,Bhubaneswari OC,Kaniha OC and Kulda OC â€” All are sanctioned projects and are on schedule as on date.

Garjanbahal OC â€” EMP has been cleared. The Project Report is also cleared by PIB. Only final approval of Government is awaited. The schedule for 1st year of production is during the XI Plan.

Preparation of PR for Talabera 111 OC and Gopalprasad OC â€” is getting delayed due to delay in finalisation of proposal of Joint Venture with captive block allocation, requirement of recasting of Project Report due to various reasons and the same are being attended to. These projects are scheduled for production during the XI Plan.